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19 September, 1945

JOINT CHIEFS OF STAFF

DECISION AMENDING J.C.S. 1181/5

ESTABLISHMENT OF A CENTRAL INTELLIGENCE
SERVICE UPON LIQUIDATION OF O.S.S.

Reference: J.C.S. 1181/6

Note by the Secretaries

By informal action on 18 September 1945, the Joint Chiefs of Staff agreed to forward to the Secretary of War and the Secretary of the Navy, for dispatch to the President, the letter in the Appendix to J.C.S. 1181/5 and the draft directive annexed thereto, subject to the following amendments:

- a. In the fifth line of the last paragraph of the Appendix, substitute after "or" the words "an Army or Navy officer of appropriate background and experience who can be assigned for the requisite period of time."
- b. Change paragraph 6 of the Annex to read: "The Central Intelligence Agency shall have no police or law enforcement functions."
- c. Substitute the following for the first two sentences of paragraph 8 of the Annex:

"Funds for the National Intelligence Authority shall be provided by the departments participating in the National Intelligence Authority in amount and proportions to be agreed upon by the members of the Authority."

A. J. McFARLAND,
C. J. MOORE,
Joint Secretariat

JCS review(s)
completed.

SUMMARY OF J.C.S. 1181/5

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of 7 SEPTEMBER 1945

1. The Joint Strategic Survey Committee and its consultants agree on need for improving government's intelligence service; regard a central coordinating authority as essential; do not approve type of organization proposed by General Donovan because:

It would over-centralize the national intelligence service; it would control departmental intelligence agencies without any responsibility to heads of departments concerned.

2. End of war, incomplete plans for military establishment, and new weapons only emphasize need for central intelligence system. "It is now entirely possible that failure to provide such a system might bring national disaster."

3. Highly desirable to agree now on a basic organization, consisting of:

A national intelligence authority.

A director - either civilian or retired military man of necessary background and a considerable degree of permanence.

An intelligence advisory board (probably the present Joint Intelligence Committee plus a representative of F.B.I.)

The first duty of these groups should be to develop the organizational plan.

4. With reference to directive proposed by Joint Intelligence Committee (J.C.S. 1181/1):

Military point of view must be adequately represented in the National Intelligence Authority, not merely by "a representative of J.C.S."

Attorney General need not be a member and should not be because of his position as a law-enforcement agency.

"Synthesis and dissemination of intelligence is probably the most important function of the agency and presents the most promising field for improvement over present system."

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A P P E N D I X

D R A F T

LETTER TO THE PRESIDENT

A memorandum from the Director of Strategic Services on the establishment of a central intelligence service was referred to the joint chiefs of staff on 22 November 1944 for their comment and recommendation. The matter received careful study and consideration at that time and the Joint Chiefs of Staff were prepared to recommend, when opportune, the establishment of such an agency in three steps, namely:

1. An Executive Order setting up a National Intelligence Authority, (composed of the Secretaries of State, War and Navy, and a representative of the Joint Chiefs of Staff), a Director of the Central Intelligence Agency (appointed by the President), and an Intelligence Advisory Board (heads of the principal military and civilian intelligence agencies).
2. Preparation and submission to the President by the above group of a basic organizational plan for establishing the complete intelligence system.
3. Establishing of this intelligence system by Presidential directive and legislative action as appropriate.

Since their first studies, the Joint Chiefs of Staff have had referred to them a letter from the Director of Strategic Services to the Director, Bureau of the Budget, dated 25 August 1945, renewing his proposals on the subject. Meanwhile, the cessation of hostilities, certain undecided questions regarding the future organization of the military establishment, and the development of new weapons present new factors which require consideration.

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The end of hostilities has tended to emphasize the importance of proceeding without further delay to set up a central intelligence system.

The unsettled question as to post-war military organization does not materially affect the matter, and certainly warrants no further delay since a central intelligence agency can be fitted to whatever organization or establishments are decided upon.

Recent developments in the field of new weapons have advanced the question of an efficient intelligence service to a position of importance, vital to the security of the nation in a degree never attained and never contemplated in the past. It is now entirely possible that failure to provide such a system might bring national disaster.

The Joint Chiefs of Staff recognize, as does the Director of Strategic Services, the desirability of:

- a. Further coordination of intelligence activities related to the national security;
- b. The unification of such activities of common concern as can be more efficiently conducted by a common agency; and
- c. The synthesis of departmental intelligence on the strategic and national policy level.

They consider that these three functions may well be more effectively carried on in a common intelligence agency, provided that suitable conditions of responsibility to the departments primarily concerned with national security are maintained. They believe, however, that the specific proposals made by the Director of Strategic Services are open to serious objection in that, without adequate compensating advantages, they would over-centralize the national intelligence

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service and place it at such a high level that it would control the operations of departmental intelligence agencies without responsibility, either individually or collectively, to the heads of the departments concerned.

In view of the above, the Joint Chiefs of Staff append hereto an alternative draft directive, which they believe retains the merits of General Donovan's proposals, while obviating the objection thereto.

The success of the proposed organization will depend largely on the Director of the Central Intelligence Agency. In the opinion of the Joint Chiefs of Staff, he should have considerable permanence in office, and to that end should be either a specially qualified civilian or a retired military officer of appropriate background and experience. It is considered absolutely essential, particularly in the case of the first director, that he be in a position to exercise impartial judgment in the many difficult problems of organization and cooperation which must be solved before an effective working organization can be established.

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A N N E X

D R A F T

DIRECTIVE REGARDING THE COORDINATION OF INTELLIGENCE ACTIVITIES

In order to provide for the development and coordination of intelligence activities related to the national security:

1. A National Intelligence Authority composed of the Secretaries of State, War and Navy, and a representative of the Joint Chiefs of Staff is hereby established and charged with responsibility for such over-all intelligence planning and development, and such inspection and coordination of all Federal intelligence activities, as to assure the most effective accomplishment of the intelligence mission related to the national security.

2. To assist it in that task the National Intelligence Authority shall establish a central Intelligence Agency headed by a Director who shall be appointed or removed by the President on the recommendation of the National Intelligence Authority. The Director of the Central Intelligence Agency shall be responsible to the National Intelligence Authority and shall sit as a non-voting member thereof.

3. The Director of the Central Intelligence Agency shall be advised by an Intelligence Advisory Board consisting of the heads of the principal military and civilian intelligence agencies having functions related to the national security, as determined by the National Intelligence Authority.

4. The first duty of the National Intelligence Authority, assisted by the Director of the Central Intelligence Agency and the Intelligence Advisory Board, shall be to prepare and submit to the President for his approval a basic organizational plan for implementing this directive in accordance with the concept set forth in the following paragraphs. This plan should include drafts of all necessary legislation.

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5. Subject to the direction and control of the National Intelligence Authority, the Central Intelligence Agency shall:

a. Accomplish the synthesis of departmental intelligence relating to the national security and the appropriate dissemination within the government of the resulting strategic and national policy intelligence.

b. Plan for the coordination of the activities of all intelligence agencies of the government having functions related to the national security, and recommend to the National Intelligence Authority the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission.

c. Perform, for the benefit of departmental intelligence agencies, such services as common concern as the National Intelligence Authority determines can be more efficiently accomplished by a common agency, including the direct procurement of intelligence.

d. Perform such other functions and duties related to intelligence as the National Intelligence Authority may from time to time direct.

6. The Central Intelligence Agency shall ~~have no police or law enforcement functions.~~ not conduct espionage activities within the United States, nor exercise any police functions either within or without the United States.^x

7. Subject to coordination by the National Intelligence Authority, the existing intelligence agencies of the government shall ~~continue to~~ collect, evaluate, synthesize, and disseminate

x General Bissell feels that original wording should be retained. General Hull concurs. Reason: We should not spell out in writing the fact that espionage activities are prohibited only in the U.S.

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departmental operating intelligence, herein defined as that intelligence required by the several departments and independent agencies for the performance of their proper functions. Such departmental operating intelligence as designated by the National Intelligence Authority shall be freely available to the Central Intelligence Agency for synthesis. As approved by the National Intelligence Authority, the operations of the departmental intelligence agencies shall be open to inspection by the Central Intelligence Agency in connection with its planning function.

In the interpretation of this paragraph, the National Intelligence Authority and the Central Intelligence Agency will be responsible for fully protecting intelligence sources and methods which, due to their nature, have a direct and highly important bearing on military operations.

8. The National Intelligence Authority shall have an independent budget upon which the Central Intelligence Agency shall be dependent for budgetary support. The National Intelligence Authority budget shall also be available for other intelligence activities as the National Intelligence Authority may direct.^x Within the limits of the funds made available to him, the Director of the Central Intelligence Agency may employ necessary personnel and make provision for necessary supplies, facilities, and services. With the approval of the National Intelligence authority, he may call upon departments and independent agencies to furnish such specialists as may be required for supervisory and functional positions in the Central Intelligence Agency, including the assignment of military and naval personnel.

x General Hull's proposed alteration.